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February 25, 2008

The Honorable Charles Rangel Committee on Ways and Means United States House of Representatives Washington, DC 20515

Dear Mr. Chairman:

The American Public Power Association (APPA) strongly supports H.R. 5351, the Renewable Energy and Energy Conservation Tax Act of 2008. This bill includes several provisions important to the increased development of renewable energy resources and the promotion of alternative transportation technologies such as plug-in hybrid electric vehicles.

Of particular importance to public power are the provisions extending and modifying the Clean Renewable Energy Bond (CREB) program. If enacted, this new CREB program would provide our members with a valuable and workable incentive to increase electricity supplies from renewable resources in order to reduce emissions of greenhouse gases, comply with state requirements for renewable energy, and enhance national security through increased energy independence. In addition, the CREB provisions in H.R. 5351 ensure that a greater amount of the bonds are allocated directly to public power and will be available to finance projects of varying size. The provisions also improve the workability of the program, as well as the attractiveness of these bonds to potential investors.

APPA also appreciates the bill's extension of the production tax credit for renewable energy facilities developed by private companies, and the incentives provided for the purchase of plugin hybrid electric vehicles.

APPA is the national service organization representing the interests of over 2,000 municipal and other state and local owned utilities throughout the Unites States (all but Hawaii). Collectively, public power utilities deliver electricity to one of every seven electric consumers (approximately 44 million people).

Thank you again for your support in creating a new CREB program and we look forward to working with you to obtain approval of HR 5351 in the House of Representatives. If you have any questions, please don't hesitate to call me at 202-467-2901, or Joe Nipper, Senior Vice President for Government Relations at 202-467-2931.

Sincerely,

Mark Crisson President & CEO